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SMITH & WESSON

The SPEAKER pro tempore (Ms. GRANGER). Under the Speaker's announced policy of January 19, 1999, the gentleman from Florida (Mr. STEARNS) is recognized during morning hour debates for 5 minutes.

Mr. STEARNS. Madam Speaker, last week I spoke regarding the coerced agreement between the Federal Government and the firearms manufacturer Smith & Wesson. I would like to continue my discussion this morning by highlighting a few more quotes from those who participated in this coercion through litigation. I would like to emphasize that these are not statements that this country should be proud of, and these are not statements one will find in an official press release.

John Coale, one of the trial lawyers involved in the lawsuits against firearm manufacturers was quoted in The Washington Post as saying "the legal fees alone are enough to bankrupt your industry."

Regarding this agreement, the New York Attorney General Eliot Spitzer reportedly said to another firearms manufacturer, Glock, Incorporated, "If you do not sign, your bankruptcy lawyers will be knocking at your door."

On April 2, Mr. Shultz, CEO of Smith & Wesson was interviewed on the ABC news show, This Week, regarding the agreement that was reached with the Federal Government on gun control proposals.

Twice, my colleagues, in this interview, he referred to the "survival" of his company as a primary reason behind his settlement. In fact, in announcing this agreement, Smith & Wesson stated "these actions are about insuring the viability of Smith & Wesson as an ongoing business entity in the face of crippling costs of litigation."

Speaking of crippling litigation, last week's edition of National Review reported that Colt firearms manufacturer chose to cease producing firearms for civilian purchase because of the ruinous lawsuits. And this is a company that was voluntarily pioneering smart gun technology and had recently received a \$50,000 grant to develop smart guns. Here was a company working towards a common goal of the gun control advocates, but that did not matter. Those same advocates and their trial lawyers continued to pursue this costly litigation against Colt into a fait accompli.

Finally, an op-ed in today's Washington Post by Tom Cannon further characterized the agreement with Smith & Wesson. He stated "this agreement is a legally binding contract, not just between Smith & Wesson and the government, but also between the manufacturer and every wholesaler, retailer and private customer of Smith & Wesson's product, even though these parties were not consulted, advised or asked for their consent."

Mr. Cannon goes on to say that a preferential purchase of Smith & Wesson firearms would be a purchase that requires the voluntary surrender of the rights of choice association and privacy.

Madam Speaker, I ask that Mr. Cannon's op-ed be made a part of the RECORD.

[From the Washington Post, Apr. 11, 2000]
(By Tom Cannon)

If you follow the gun issue at all, you're aware that last month Smith & Wesson, one of the oldest American gun manufacturers, signed a deal with several government entities at all levels. The primary purpose of this deal was to release Smith & Wesson from the lawsuits being filed against gun manufacturers seeking to hold them responsible for the criminal misuse of their products by unrelated third parties.

Among other things, this agreement is a legally binding contract not just between Smith & Wesson and the government but also between the manufacturer and every wholesaler, retailer and private customer of Smith & Wesson products—even though these parties were not consulted, advised or asked for their consent. Any wholesaler or retailer who wishes to continue carrying Smith & Wesson products will be required to agree to the terms of this contract, and force is customers to do likewise. My primary objection is that the last time I checked, I had not granted Smith & Wesson power of attorney.

In immediate response to this "unholy alliance" between a once-respected company and the government, gun owners from all over the country, myself included, contacted their local gun stores and begged them to discontinue carrying Smith & Wesson products. The Michigan Coalition for Responsible Gun Owners sent a letter to every S&W dealer in Michigan, asking on behalf of our thousands of members that they drop the line. Across the country, thousands if not millions of us pledged not to patronize a business that sold Smith & Wesson products under the terms of this new agreement.

Whether because of this market pressure or because of the onerous terms of the agreement itself, many dealers have decided to drop the Smith & Wesson line. As a free market economy, it seemed our work was done; our dollars had spoken for themselves. We would provide a harsh object lesson for the manufacturers about the attitudes of the market.

But shortly after the Smith & Wesson agreement was announced, several of the same government entities that signed the deal announced investigations of S&W's competitors for alleged violations of anti-trust laws. In short, the message seems to be: "You will buy Smith & Wesson." Personally, I find this even more insidious than the original lawsuits that brought on this foolishness. In gangster movies this would be called a "protection racket." It brings to mind the bus boycott in Montgomery, Ala., during the civil rights movement, and the local government's reaction to it.

There is nothing to prevent Smith & Wesson from opening its own retail stores in every gun-buying market or from franchising its retail licenses, unless of course you count the fact that they won't sell many firearms to the traditional gun-buying public. A friend of mine, a collector whose passion is Smith & Wesson revolvers and who reportedly has "more Smiths than Smith," says he is done buying new Smith & Wesson products. Their days in this market are probably numbered.

Can Smith & Wesson survive? Sure, it could limp along on government contracts,

or get some other kind of help from its new best friends. After all, our government has propped up thousands of businesses over the years long after they should have succumbed to market pressure and closed up shop.

Or anti-gun groups such as Handgun Control Inc., with their incessant claims of support from suburban "soccer moms," could create a new market by encouraging these moms to buy Smith & Wesson in support of their so-called "dedication to safety." Handgun Control Inc. has already posted articles on its web site praising Smith & Wesson for its actions, so it's really only a half-step farther to promote Smith & Wesson's products to its audience.

And that could just be the icing on the cake. More people would own guns, thus being able to defend themselves against crime, and traditional gun owners like me would split our sides laughing at the ironic spectacle of HCI shilling for S&W.

If the soccer moms want guns who purchase requires the voluntary surrender of the rights of choice, association and privacy, then let the soccer moms buy them.

The writer is on the board of directors of the Michigan Coalition for Responsible Gun Owners.

Madam Speaker, I think these are the kinds of quotes that should send chills through the spine of every American. In essence, a precedent has been set which has the government lawyers and private lawyers conspiring, conspiring to coerce private industry into adopting public policy changes through the threat of abusive litigation. The option? Adopt our proposals or you will go bankrupt.

Madam Speaker, this is not a way to run a Republic. We should confront this threat to our constitution immediately and stop any future attempts at coercive litigation by our government.

Every Member of Congress, regardless of political philosophy, should be concerned with this type of action. Any future executive branch could circumvent Congress anytime it disagrees with our policy. As elected officials, we are sworn to uphold the constitution. We should not condone coercive litigation to circumvent the legislative function of the Congress. This is not a political issue. This is a Constitutional issue.

Madam Speaker, I have introduced a resolution disapproving of the executive branch using litigation in a coercive manner to circumvent the legislative function of the Congress. I urge every one of my colleagues to cosponsor and defend the constitutional authority of Congress, its right to make national policy here in the House of Representatives.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 11 a.m.

Accordingly (at 9 o'clock and 51 minutes a.m.), the House stood in recess until 11 a.m.